

MINUTES

JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND SUBSTANCE ABUSE SERVICES

January 23, 2008

Room 643, Legislative Office Building

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities and Substance Abuse Services (LOC) met on Wednesday, January 23, 2008 in Room 643 of the Legislative Office Building. Members present were Senator Martin Nesbitt, Co-Chair; Representative Verla Insko, Co-Chair; Senators Austin Allran, Bob Atwater, Charlie Dannelly, James Forrester, Vernon Malone, William Purcell and Representatives Martha Alexander, Jeff Barnhart, Beverly Earle, Bob England, Jean Farmer-Butterfield, and Fred Steen. Advisory members Representatives Van Braxton and William Brisson were present. Also in attendance were Representatives Deborah Ross, and Jennifer Weiss.

Gann Watson, Shawn Parker, Ben Popkin, Susan Barham, Andrea Poole, Denise Harb, and Rennie Hobby provided staff support to the meeting. Attached is the Visitor Registration Sheet that is made a part of the minutes. (See Attachment No. 1)

Senator Martin Nesbitt, Co-Chair, called the meeting to order and welcomed members and guests. He asked for a motion to approve the minutes from the December 5, 2007 meeting. Representative Braxton made the motion and the minutes were approved.

Senator Nesbitt and staff then reviewed the information packet responding to questions asked by members during the December 5th meeting. (See Attachment No. 2) It was requested that a short analysis on the write-up from the federal government on the recent inspections at the hospitals be provided to members. Andrea Poole from Fiscal Research reviewed the revised summary of the Division of Mental Health, Developmental Disabilities and Substance Abuse Services SFY 2008 allocation chart. She said that there were calculation errors on the December chart which had been corrected in the new chart.

Secretary Dempsey Benton, Department of Health and Human Services, gave an update on Community Support Services, the State psychiatric hospitals, and explained initiatives taken to establish committees of external experts to help with mental health items. (See Attachment No. 3) He indicated that overall, the Division of Medical Assistance budget was in line for FY 2007-08. The Practitioner/Non-Physician services category, which includes the Community Support service, had the greatest overexpenditure, having spent 62% of the budget halfway through the year. The Community Support Services program accounts for 80% of expenditures in this category. However, monthly expenditures appeared to be declining with daily checkwrite cost showing a steady decline.

Secretary Benton then summarized a handout regarding the status of the State hospitals. He said that since the decertification of Broughton hospital by the Centers for Medicare

and Medicaid Services (CMS), the Department and the hospital had been actively working on corrections. He said there was a departmental team visiting Broughton hospital on a regular basis, and management at the hospital had been changed. The target for recertification would be the end of February or the first of March. Secretary Benton also explained another annual inspection, the Joint Commission on Hospital Accreditation. This group inspected the hospital in December. In an oral discussion of findings, it was determined that they would consider a preliminary denial of certification due to problems found during inspection.

Continuing, Secretary Benton said that Cherry hospital had no current citations. He said a corrective action plan had been submitted to CMS for citations at Dorothea Dix hospital. A second citation occurred during a survey citing deficiencies in October. A Revised Plan of Service was submitted in December. Regarding John Umstead hospital, he said that there had been a citation, a plan of correction was developed, and a follow-up inspection determined the issues were abated. Two other issues that were found, that would be addressed in a written report would need to be addressed by the hospital staff. The Secretary then reviewed actions currently being taken within the Department to address some of the challenges.

Secretary Benton was asked what the options were for consumers who needed services not provided in their community but community support was offered. Leza Wainwright, Deputy Director of DMHDDSAS, responded that the Division was working with LMEs and Value Options (VO) so that VO could provide feedback to the LME regarding the type of service needed in a catchment area. This would give the LME information needed to be able to request provider agencies for a specific service. The Secretary was also asked how much Medicare and Medicaid money Broughton hospital had lost due to the decertification, and if there were any disciplinary actions being taken at the hospital to clear up problems. The Secretary responded that \$8-9 million would be lost in Medicare and Medicaid dollars, but the objective was to be recertified as quickly as possible. He also said the hospitals report directly to him now, and that other initiatives are being pursued in addition to those already in place. Senator Nesbitt commended Secretary Benton for doing a good job.

Andrea Poole and Denise Harb from Fiscal Research introduced a new agenda item, the MHDDSA System Indicators report, which would be provided on a monthly basis. (See Attachment No. 4) Ms. Poole explained that the charts provided community supports information; how service dollars are being spent for MHDDSA; hospital discharges by length of stay; the number of days hospitals' are over 110% capacity; Acute ADATC beds; and a "hot topics" chart that would rotate every month. The back page provided data and footnotes. It was requested that the Community Supports chart also reflect the budgeted amount. Staff was asked if there was a diagnosis procedure at admission to an ER which determined if a patient was a mental health or substance abuse admission. Ms. Poole said that the person at the ER doing the diagnosis on the patient entered the diagnosis code. Staff was also asked if the person assessing the patient was trained to make the correct diagnosis. It was requested that ER information be provided by county,

per capita, and that information be provided on the cost of an ER visit for a mental health issue.

Ms. Poole addressed the vacancy rate in beds at the ADATCs. She said that the Walter B. Jones facility had just opened this past August and was working on getting referrals into the ADATC. Jim Osberg, Chief of State Operated Services for the Division, commented that waiting lists exist for the sub-acute units which are for longer term care. He added that additional acute beds are under construction at the Julian Keith ADATC, and staffing and resources needed to be stabilized at R.J. Blackley in order to have the full utilization of acute beds. He also said that there was a shortage of services for longer term rehab treatment at the State level and in the community. The average stay is 5 to 10 days. It was suggested that an analysis of the shortage in long-term beds be examined for next month. Dr. Osberg added that there was a high acute admission rate for individuals with a substance abuse diagnosis in the State hospitals that could be treated in the substance abuse facilities whether they are State or non-State operated. Staff was asked to look at both issues. Addressing staffing shortages and the completion of construction at the Keith facility should enable more patients to be moved out of State hospitals. He added that there were some patients that do not get follow-up care because of lack of availability. Many people currently served in State hospitals could be served in the community.

Shawn Parker, Research Division, gave a brief time line of crisis service plans beginning in the summer of 2006. (See Attachment No. 5) He explained that at the recommendation of the LOC, the General Assembly appropriated \$5.5 million for the LMEs to develop crisis plans, and for the Department to take specific action within the crisis plans. In 2007 the General Assembly appropriated \$13.7 million to continue the implementation of the crisis plans, and extended the contract of Technical Assistance Collaborative (TAC) to June, 2008. (TAC is the organization hired to assist the LMEs create and implement the service plans.)

Anthony Ward, Provider Relations Manager for Guilford Center, provided an update on the implementation of their crisis plan. (See Attachment No. 6) He explained the community assessment, and how Guilford looked at the qualitative data and the quantitative data regarding community perception. He said a community survey was done annually with a comprehensive list of services that possibly have capacity issues in the community. Consumers select 5 of the 30 services listed that were the most important to them. The data is analyzed and then shared with community partners for input in developing the crisis plan. Mr. Ward then reviewed several of the items targeted in the plan. He explained where some of the funding had been spent: 2 outreach workers for hybrid mobile crisis management were hired; 2 jail case managers to assist inmates transitioning to the community were hired; 2 additional sponsorships (4 bed days reserved) per month at local hospitals were purchased; and 10 short-term beds through the MHTF were initiated. He reviewed the successes and the challenges of the implementation. Mr. Ward said that it takes multiple partners working together in the community for the system to work, and that the quality of working relationships drives success.

Staff was requested to determine if all LMEs provide a 24/7 crisis call center. It was pointed out that staffing could be an issue since it was difficult to obtain a licensed clinician to work at night.

Next, Art Constantini, Director of the Southeastern Center for MHDDSAS, explained that Southeastern was unique in that it was comprised of 1 urban county (New Hanover) and 2 rural counties (Brunswick and Pender). He said that the 2 rural counties did not have a practicing psychiatrist operating, and since all 3 are coastal counties, the population quadrupled during the summer months straining the service system. He added that Southeastern was in the top 3 for car accidents, top 3 for teenage pregnancy, and top 3 for children being removed from their homes. Given that framework, Mr. Constantini reviewed the crisis services in place at Southeastern Center. (See Attachment No. 7) He said that crisis services must be thought of as having to be a continuum. He explained that the plan included prevention measures, a crisis response, and a post crisis plan. He said that Southeastern maintained 5 psychiatrists to provide services, and worked with provider agencies in a “rent a doc” program in which the provider rents a doctor who works in the provider agency setting. The LME is better able to put together an attractive package to attract doctors.

Terry Hatcher, Director of the Division of Property and Construction for DHHS, gave an update on the construction projects. (See Attachment No. 8) He said that Central Regional hospital (CRH) was a 470,000 square foot facility with 468 beds. He explained how different agencies had been involved in the oversight of construction to see that it was in accordance with plans and specifications. Mr. Hatcher reviewed safety modifications currently being completed, and said that occupancy had been delayed 60 days pending the Secretary’s review. The total projected budget for CRH is \$138.6 million. Continuing, Mr. Hatcher said the Cherry hospital replacement would be a 420,000 square foot facility with a total of 318 beds, and a projected budget of \$145.5 million. He said the hospital was currently in the design phase, and estimated to begin in November, 2008 with completion in February, 2011. The replacement for Broughton hospital would be a 382 bed facility. State construction is not authorized to use the \$162.8 million appropriated until July 1, 2008. He said the design would begin in July, 2008, construction in November, 2009, and the facility would be completed in February, 2012.

Mr. Hatcher said the new project at Julian F. Keith ADATC was currently under construction, and would provide 30 detox beds. Completion is scheduled for August, 2008, and was budgeted at \$3,574,000. Also, the Barrett Building at John Umstead would be renovated to house the R.J. Blackley ADATC and would have 30 detox beds. Construction should start in May, 2008 with a completion date of December, 2008. The budget is \$3.2 million. He then briefly reviewed other projects and upgrades currently underway.

After a lunch break, Senator Nesbitt called on Andrea Poole to review the special provision related to the revised Service Dollar Allocation Report. (See Attachment No. 9) She reviewed Section 10.51(b) which related specifically to the Allocation Report. She

said the Department looked at ways funding could be equalized, and an appropriate funding methodology for making sure funding was equalized.

Leza Wainwright said that the narrative version of the report had been received by the committee at the end of 2007. She explained that the spreadsheets were an easy way to understand the proposed methodology. (See Attachment No. 10) She said that a combination of two formulas were used - a partial methodology based on straight per capita would reflect those areas of the state growing more quickly than other areas; and the poverty per capita formula indicated for the most part State dollars that are paying for services for the indigent population. Ms. Wainwright said the proposal uses a combination to allocate 50% of the service dollars based on straight per capita population (the percentage of the population in each LMEs catchment area to the total Statewide population), and the other 50% to the poverty per capita formula. She then presented a number of options to equalize funding to the 50%/50% level (see Attachments Number 1-A, 1-C, II, and III). Members discussed at length the inequality of disproportionate funding.

Next, Ms. Poole went over a summary of proposed meetings. (See Attachment No. 11) The summary included a list of suggested agenda topics, and 2 additional proposed meeting dates. She reminded members that the LOC would have to hear recommendation options, and have time to vote in order for the report to be ready before session starts. In reviewing the February agenda, it was requested that a report also be given on the LMEs that were moving towards a 1915B Medicaid waiver. It was also requested that an update on the construction process be included monthly.

There being no further business, the meeting adjourned at 2:35 PM.

Senator Martin Nesbitt, Co-Chair

Representative Verla Insko, Co-Chair

Rennie Hobby, Committee Assistant